VZCZCXRO1444

PP RUEHROV

DE RUEHEG #1416/01 1891355

ZNY CCCCC ZZH

P 071355Z JUL 08 ZDK CTG NUMEROUS SERVICES

FM AMEMBASSY CAIRO

TO RUEHC/SECSTATE WASHDC PRIORITY 9767

INFO RUEHXK/ARAB ISRAELI COLLECTIVE PRIORITY

C O N F I D E N T I A L SECTION 01 OF 03 CAIRO 001416

SIPDIS

NSC FOR PASCUAL

E.O. 12958: DECL: 07/06/2028

TAGS: PREL PGOV PHUM KIRF KISL KPAL EAID ENRG IS

IR, IZ, ER, SU, SY, LE, EG

SUBJECT: CODEL ACKERMAN MEETINGS WITH MUBARAK, SULEIMAN,

AND ABOUL GHEIT

REF: A. CAIRO 1193 <u>¶</u>B. CAIRO 1388

CAIRO 00001416 001.2 OF 003

Classified By: Ambassador Margaret Scobey, for reasons 1.4 (b) and (d).

11. (C) Summary: In separate June 28 meetings with President Hosni Mubarak, EGIS Director Omar Suleiman, and FM Ahmed Aboul Gheit, CODEL Ackerman and the Ambassador discussed Israeli-Palestinian developments (focusing on Egypt's goals for building upon the current "calming period"), Egypt's regional relations, and various human rights criticisms of Egypt. CODEL Ackerman was composed of Rep. Gary Ackerman (D-NY), Rep. Sheila Jackson-Lee (D-TX), Rep. Thad McCotter (R-MI), Rep. Randy Neugebauer (R-TX), Rep. Russ Carnahan (D-MO), Rep. Al Green (D-TX), and professional staff members David Adams, Jamie McCormick and Howard Diamond. End summary.

MEETING WITH PRESIDENT MUBARAK

- ¶2. (C) In a 75-minute meeting with Mubarak, CODEL Ackerman focused largely on Israeli-Palestinian peace process issues, with Mubarak noting in regard to the current Egyptian-backed "calming" between Israel and Hamas that, "Hamas cannot be trusted, but at least we can try to make them calm for the time being." Mubarak observed that "Gaza is not only Hamas," and therefore, he had asked EGIS Director Omar Suleiman to bring the leaders of at least ten Palestinian factions to Cairo for discussions. XXXXXXXXXXXX. He stressed that combating tunnels on Egypt's borders is "the job of both Israel and Egypt, not just Egypt," and that the sea border between Egypt and Gaza is "also problematic." Mubarak detailed Egypt's efforts to detect tunnels, asserting that 2-3 tunnels are destroyed daily, for a total of 280 destroyed tunnels to date. Mubarak urged that Israel do a better job of patrolling its side of the border, so that both countries can better combat smuggling - "we cannot control it 100%. We need lots of forces to do that."
- ¶3. (C) In lengthy remarks critical of Iran's "trouble-making" regional role, Mubarak noted that a variety of Iranian officials have visited him to make the case for rebuilding diplomatic relations between Cairo and Tehran. Mubarak said that he had offered to restore relations if the Iranians would (1) return to Egypt some extremists, now resident in Iran, who were involved in the 1981 assassination of Anwar Sadat, and (2) rename Tehran's Islambuli street (named after Sadat's assassin). He said the Iranians had made "many promises, but never delivered" and that over the past few months, the Iranians have eased up on the effort to engage with Egypt. He observed that Iran is "dangerous,

over-confident, and threatening." When queried by Rep. Ackerman as to the extent of Egypt's economic relations with Iran, Mubarak said that commercial contacts are "quite limited, because I do not trust them." He also said that he expects to cross paths with Syrian leader Bashar Al Assad at the mid-July Euro-Med summit in Paris - "we will shake hands, but there will be no substantive meeting." Mubarak emphasized that he is still not prepared to invite Assad to Egypt, "because he has said so many things against us." On Iraq, Mubarak observed that a "fair dictator" is needed, and that "it would be a big mistake for you to leave suddenly. A strong leader, and capable armed forces and police are needed before you leave." He noted that Egypt is prepared to host and train 2,000-3,000 Iraqi forces every few months, but that the offer had not been acted upon by the Iraqis.

14. (C) In response to Rep. McCotter's question about recent sectarian violence at an Egyptian monastery (ref A), Mubarak said that the issue is a dispute over land, not an inter-religious problem. Noting that the land in question belongs "neither to the Copts nor the Muslims, but to the state," Mubarak said that the issue has been exaggerated by the media, and that the reality is that Christians and Muslims live "easily together" in Egypt. Following a Mubarak monologue on the dangers of the Muslim Brotherhood (MB), Rep. Ackerman noted that the U.S. is supportive of Egyptian efforts to crack down on extremism, but that "there is a difference between terrorists and domestic political opposition. If your policy is to kill all the weeds in your garden, you will probably end up killing all the flowers as well. It is so important to have an increased tolerance of

CAIRO 00001416 002 OF 003

the legitimate opposition here, so that it is not suppressed, leaving Egyptians with only illegitimate and terrorist outlets to turn to." Mubarak responded by elaborating further on the threat posed by the MB. When Rep. Jackson-Lee inquired about "Egyptians who have been thrown in jail simply for speaking their minds," Mubarak responded "That is impossible! Only terrorists get put in jail." He opined that freedom of the press has improved dramatically ("I have opened up the gates of freedom to the maximum"), with journalists constantly criticizing the government, and that only those who break the law are put in jail.

15. (C) Rep. Neugebaeur inquired about Egypt's planned nuclear program, which Mubarak stressed "is for nuclear power only. We are a party to the NPT, and of course will allow inspections, as we have nothing to hide." Asked by Rep. Ackerman about the impact of the Al Hurra TV station, Mubarak said, "I've never seen Al Hurra - it is better for you to close it. Anti-Americanism is the result of American policy in the region, not a propaganda failure."

MEETING WITH OMAR SULEIMAN

 $\underline{\P}6.$ (C) In a subsequent meeting, EGIS Director Suleiman asserted that the "real threat" is extremism, and underlined what the Egyptians plan to do to combat it - (1) strengthen relations and coordination with the Israelis, (2) support Mahmoud Abbas, and (3) bring the Palestinian Authority (PA) back to Gaza. He opined that Hamas is under pressure, as the Gazan population is very poor and "becoming wild." Suleiman enumerated the benefits of the "calming" period that he engineered as the lack of violence preventing which prevents a further inflaming of Palestinian emotions (and the resultant increase in Hamas' popularity) due to TV footage of Palestinians injured and killed by Israelis. He also said the "calming" allows for Israeli cities near Gaza to not be threatened. Ultimately, Suleiman hopes that if the quiet period persists, jobs can be found for Gazans, and thus their hope for the future will return. Outlining an overall three-stage vision for the future, Suleiman said first, calm in Gaza must be achieved, to be followed within weeks by

talks regarding Shalit's release. After that, a dialogue will be started about returning the PA to Gaza, using as an incentive the "sweetener" that Rafah will be re-opened, under Israeli and European observation, with the PA in control.

- 17. (C) Suleiman opined that the first few days of the "calming" period had not been ideal, but that he had counseled the Israelis to be patient, as "it takes time for Hamas to get things under their full control." He said that he was encouraging indirect negotiations between Hamas and Israel, and that on July 15, "we will start negotiating on principles for how Shalit will be released." Suleiman also noted his appreciation for USG-provided tunnel detection equipment, which he said would be operational in August.
- 8 (C) Suleiman repeated throughout the meeting his goal of creating a "new atmosphere" that can "build confidence, keep the region quieter, and give Abbas and Israel a better chance of achieving agreement on final status issues." He said that before the end of the year, the Palestinians and Israelis need to reach some sort of understanding - "not necessarily a final agreement, but something tangible" - on border issues, Palestinian refugees, and Jerusalem. He advocated that Israel offer Palestinians the opportunity to come back to Israel for "family unification" purposes, opining that "not that many, maybe only ten to fifteen thousand" will actually want to return, but that such an offer would "satisfy the Palestinian desire for return." Suleiman also urged enhanced economic support for the Palestinians from the international community "the economy has to improve, and give people hope." He also commented that, "the Israelis must help Abbas by lifting their siege and giving security responsibility to the PA, thereby giving the PA some credit Give the PA a chance to prove they are capable."
- 19. (C) Ackerman queried Suleiman as to whether 750 Egyptian personnel were consistently at posts along the border; Suleiman confirmed that the Egyptians are currently maintaining a constant presence of 750. In response to queries about Hamas' popularity, Suleiman averred that it has decreased, stating that, "Palestinians are suffering, and they blame Hamas, not Israel."

MEETING WITH ABOUL GHEIT

CAIRO 00001416 003 OF 003

110. (C) In a later meeting with FM Ahmed Aboul Gheit, the FM complained to the CODEL that the U.S. ESF package to Egypt "has been halved to \$200 million annually, while Egypt is paying debts and accruing interests to the U.S. of \$350 million per year, with the net result that Egypt is paying you \$150 million per year. This hurts us, and between two allies, the poorer party should not be paying the richer country." Aboul Gheit argued that Egypt is a pillar of stability in the region, but will not be able to maintain that stability if the economy does not improve, jobs get created, and the bread subsidy continue to get paid. On relations with the U.S., Aboul Gheit noted that "we are not estranged, we work together with honest discussions, but we do not understand why we should be paying you \$150 million per year." During a lengthy discussion on the centrality of the peace process, and the need for both Palestinians and Israelis to make concessions, Aboul Gheit observed that paradoxically, the "calming" period might help Hamas to strengthen its standing with Palestinians - "Hamas is offering law and order in Gaza, but also economic deprivation. With this calming, Israel might resume the flow of commodities and trade with Gaza, so the quality of life there might improve. Meanwhile, nothing is improving in the West Bank, where the PA is in control, so Hamas looks better than the PA.

urging the Israelis to "give Shebaa Farms to the UN - that would take away Hizbullah's pretext for being in Lebanon, and therefore corner both them and the Iranians." He remarked that there was little Israeli enthusiasm for such an approach. On Sudan, the FM noted his frustration with the UN. He said that Egypt had offered the UN two Egyptian battalions, "roughly 3,500 people, to work under the UN as a hybrid force. And we are now ready to commit even a third battalion, to help stabilize Darfur." Aboul Gheit said that the UN has agreed to take one Egyptian battalion, but wanted a second battalion from the Europeans or Nepal, "but the Sudanese will not agree to this."

- $\P12$. (C) Aboul Gheit became visibly irritated when pressed on Egypt's recent forcible return of Eritrean refugees to Eritrea (ref B), noting that UNHCR officials are "lazy" and have not interviewed Eritreans for resettlement, while meanwhile the refugees are "doing terrible things here in Egypt, and thus we do not want them here.' He asserted that those who criticized Egypt for returning the refugees should offer to take refugees themselves, rather than pressing Egypt to do so: "If you want refugees, we can give you 1000 today, or maybe you can give us \$50 million to care for them here! He pronounced that "out of 4 million refugees resident in Egypt, UNHCR has resettled only 16 in the past year!" Responding to questions about journalists and bloggers being detained and sectarian tensions, Aboul Gheit and one of his assistants asserted that Egyptian law quarantees full equality to all Egyptians, of any religion or creed. "The problem is that Egyptian citizens are not yet at an advanced stage of development how, as a government, do you maneuver in a society prone to violence? Remember, we are not America, we are not Europe. We are Sicily!"
- 113. (U) This cable was not cleared by CODEL Ackerman. SCOBEY